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## Health Insurance Enrollment for Illinois Kids Declined More Than Double the National Average

Legal Council for Health Justice releases statement on Illinois's Medicaid and CHIP enrollment decline

A new report from the Georgetown University Center for Children and Families shows a sharp national decline in children's health insurance coverage. Illinois experienced one of the largest decreases: 67,969 fewer children were enrolled in Medicaid and CHIP between December 2017 and December 2018, a staggering 4.8% decline in enrollment. Legal Council for Health Justice is calling for swift and bold action to counteract the disenrollment of Medicaid-eligible children and families in Illinois.

The report, Medicaid and CHIP Enrollment Decline Suggests the Child Uninsured Rate May Rise Again, finds that 828,000 fewer children nationwide were enrolled in Medicaid and CHIP at the end of 2018 than in 2017. The report highlights that Illinois's enrollment decline is particularly stark:

- Seven states accounted for nearly 70 percent of the losses: Illinois, California, Florida, Missouri, Ohio, Tennessee and Texas;
- Nine states had decreases of more than double the national average of 2.2 percent: Illinois, Idaho, Maine, Mississippi, Missouri, Ohio, Tennessee, Utah and Wyoming;
- Only four states appear in both groups: Illinois, Missouri, Ohio and Tennessee.

In Illinois, children are foregoing the health care they are eligible to receive under the Medicaid program, or are appearing at local hospitals without medical coverage. State data also suggests that fewer Medicaid-enrolled children and families are participating in the Illinois Early Intervention program than in past years. Lack of access to these services can affect children for a lifetime, as quality health care and Early Intervention have been proven to improve a child's ability to learn, overcome challenges and succeed in school and life.

What is causing the enrollment decline? The report concludes that there is scant evidence that the enrollment decline is due to an improved economy or children finding insurance elsewhere. Instead, it is far more likely that eligible children have fallen off Medicaid and CHIP. On a national level, significant cuts to marketing of the Affordable Care Act by the Trump administration, the repeal of the individual mandate penalty and the chilling effect of anti-immigrant rhetoric and <u>public charge fears</u> have dissuaded eligible individuals from participating in this safety net health program. State policy and practices have also influenced these declines, including cumbersome processes for enrollment and renewal.

What is happening in Illinois? Legal Council has seen first-hand that Illinois's Medicaid renewal process is just not working for eligible recipients. Tens of thousands of eligible Illinoisans are removed from coverage each month at renewal—they must then re-apply for the coverage that should have been easily renewed. Moreover, the State is grossly out of compliance with federal law that requires states to process Medicaid applications in no longer than 45 days, compounding the effect of these monthly disenrollments.

The State has experienced processing delays, computer errors and glitches, and numerous other problems since the rollout of phase two of its new computer system in October 2017. The State has not yet recovered, and Illinoisans have not seen relief. Illinois's current system harms children, families, adults, seniors, hospitals, clinics, insurers and all Illinoisans.

What can be done? These issues can be fixed with <u>policy changes</u> informed by the states that are doing much better than Illinois.

- One essential solution is to move toward real-time application processing where the majority of applicants' eligibility is determined within 24 hours.
- Another essential solution is embodied in legislation recently considered by the General Assembly and would encourage maximizing the number of Medicaid and CHIP cases that are renewed based on available electronic data. This process avoids the barriers (problematic mail delivery, delays in state mailrooms, lack of postage, etc.) that cause eligible children and families to be terminated from their programs even though they are eligible.
- Illinois can take action to ensure the people who have experienced coverage terminations and delays are swiftly provided medical coverage. Legal Council has been co-leading <u>litigation since May 2018</u> with the Shriver Center and Sidley Austin to require the State to provide temporary medical assistance to the children and families whose applications pend over federal timelines. We continue to ask the State to provide this medical coverage in an efficient manner and improve benefit access for customers.

Legal Council calls upon the State of Illinois to take bold action to turn around the declines and ensure more children and families have the health care they need to thrive.

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**Legal Council for Health Justice** uses the power of the law to secure dignity, opportunity, and well-being for people facing barriers due to illness and disability. All programs partner with health and hospital systems to train and support the care provider network, provide direct representation to referred patients, and conduct systemic advocacy to promote health equity among populations facing chronic, disabling, and stigmatizing health and social conditions. <a href="https://www.legalcouncil.org">www.legalcouncil.org</a>